



State of Wyoming SCHOOL FOUNDATION BLOCK GRANT 2007

WYOMING LEGISLATIVE SERVICE OFFICE
RESEARCH STAFF (07IP003)

MARCH 2007

INTRODUCTION

The School Foundation Block grant provides Wyoming's local school districts with funding for the necessary instructional and operational resources to provide each Wyoming student with an equal opportunity to receive a proper education. The funding that each district receives is a function of the components of the education resource block grant model and the characteristics of the schools and students within a particular district. The block grant determines the amount available to the district, but it does not determine how that funding is spent.

This document graphically illustrates the model adopted by the Legislature during the 2006 Budget Session, as corrected through the 2007 General Session. The illustration progresses from general to more specific. It begins with a summary chart that shows the components of the model and then each part of the model is further sub-divided to show increasing detail. The document concludes with a depiction of local and state revenues to identify the revenue sources supporting the funding requirements of the model.

***Note:** This is primarily a flow chart to display the functionality of the recalibrated school funding model. Details of the staffing and funding levels for the various components are available in Attachment B of the adopted 2006 school finance legislation.*

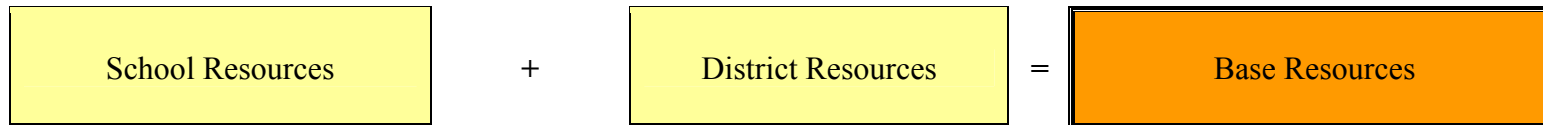
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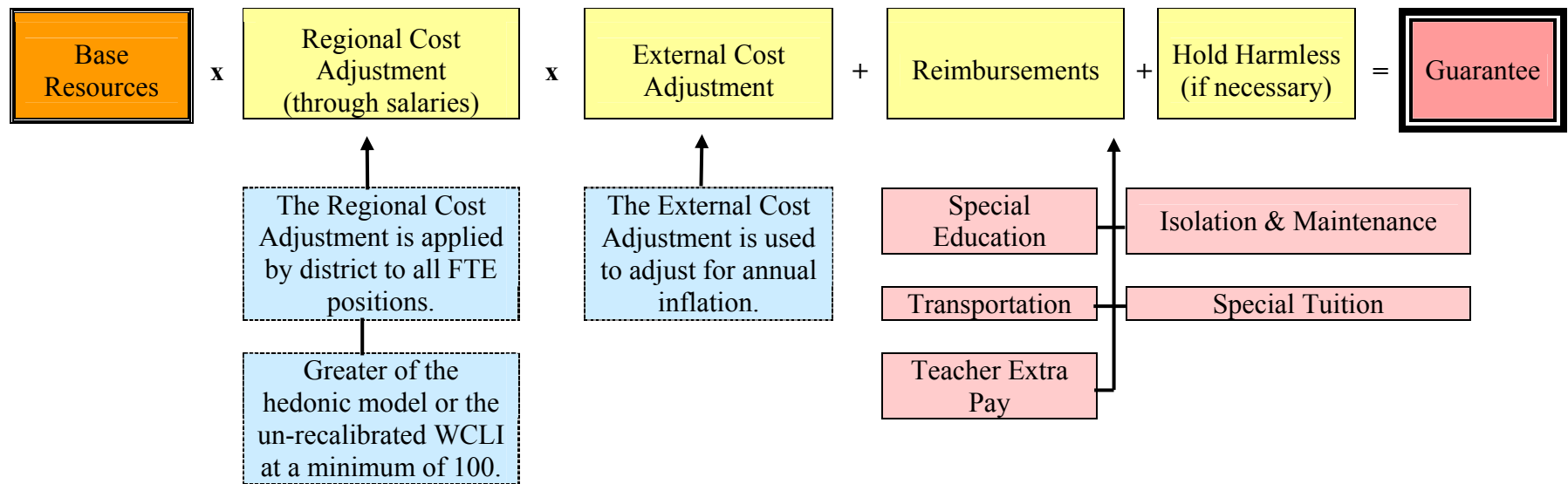
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SCHOOL FOUNDATION BLOCK GRANT

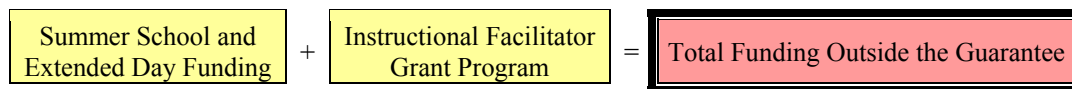
I. Base Resources (Page 3)



II. Guarantee (Page 9)

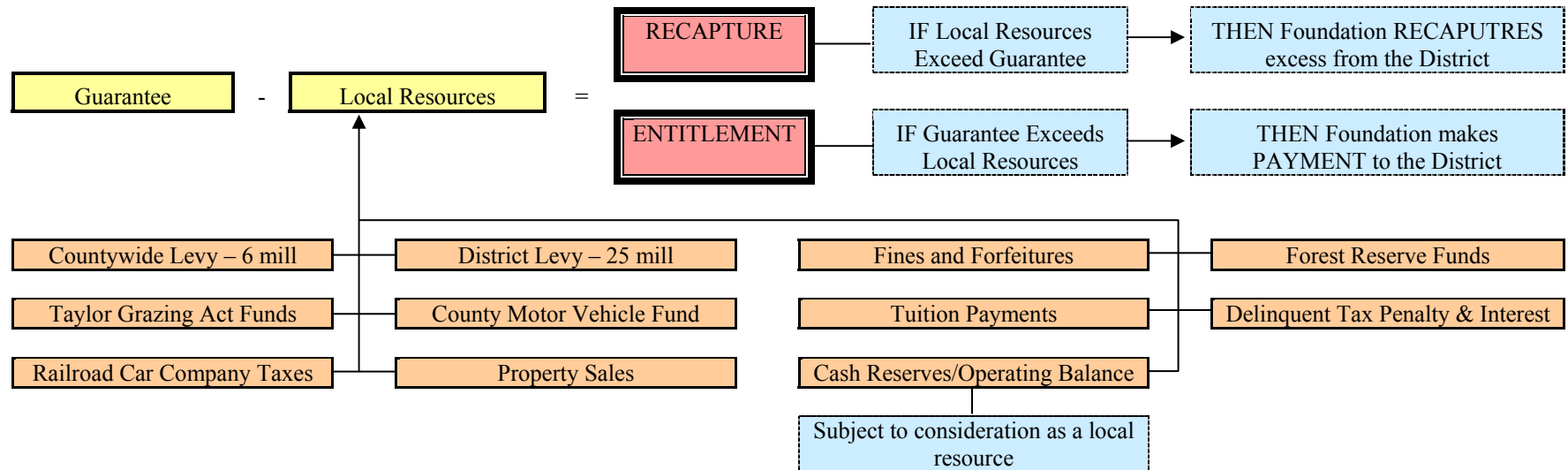


III. Funding Outside the Guarantee (Page 10)

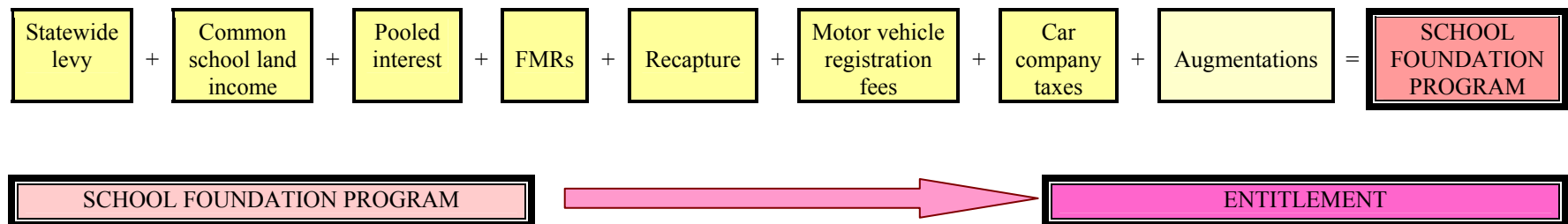


FUNDING THE BLOCK GRANT

IV. District Funding – Entitlement & Recapture (Page 11)



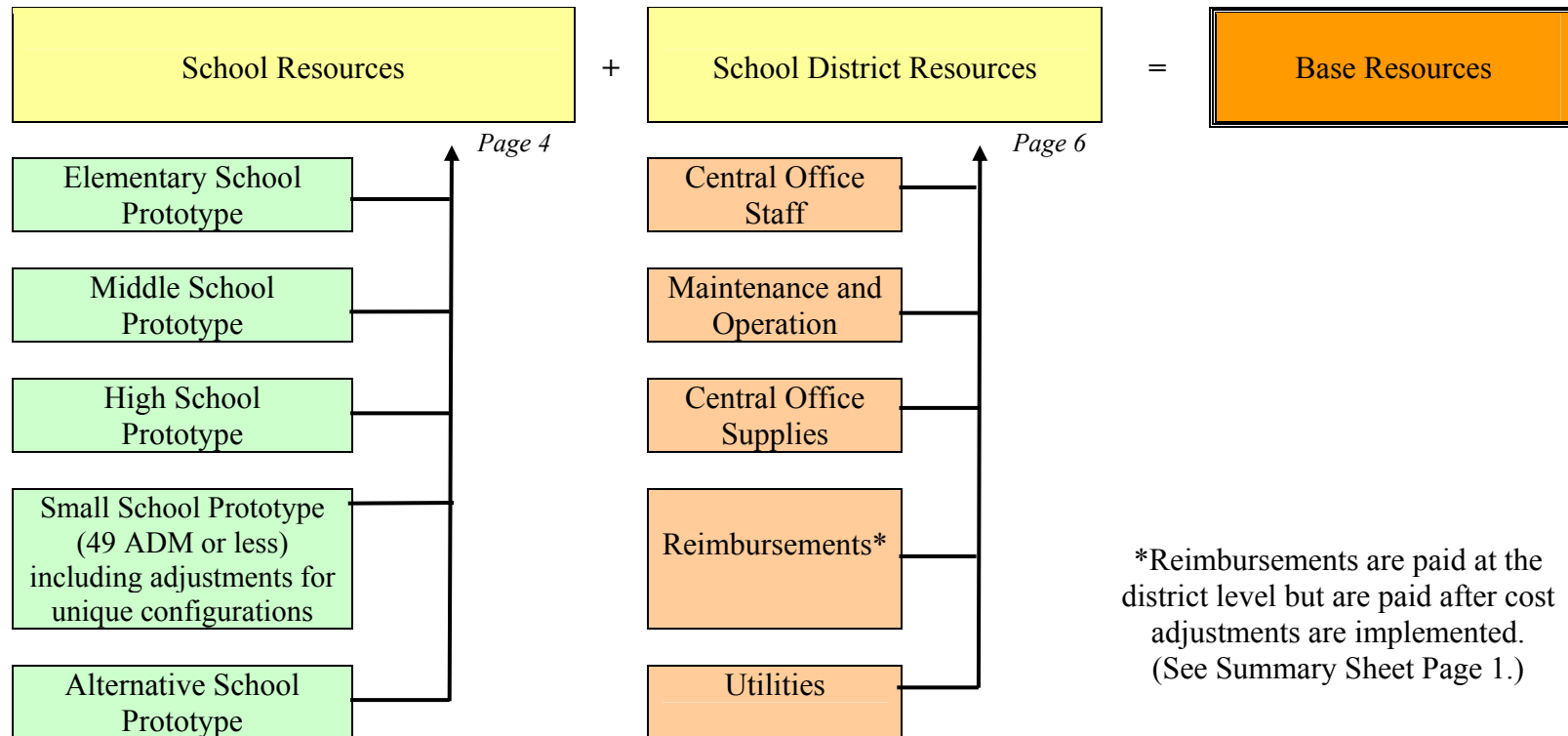
V. Revenues Deposited in the School Foundation Program (Page 15)



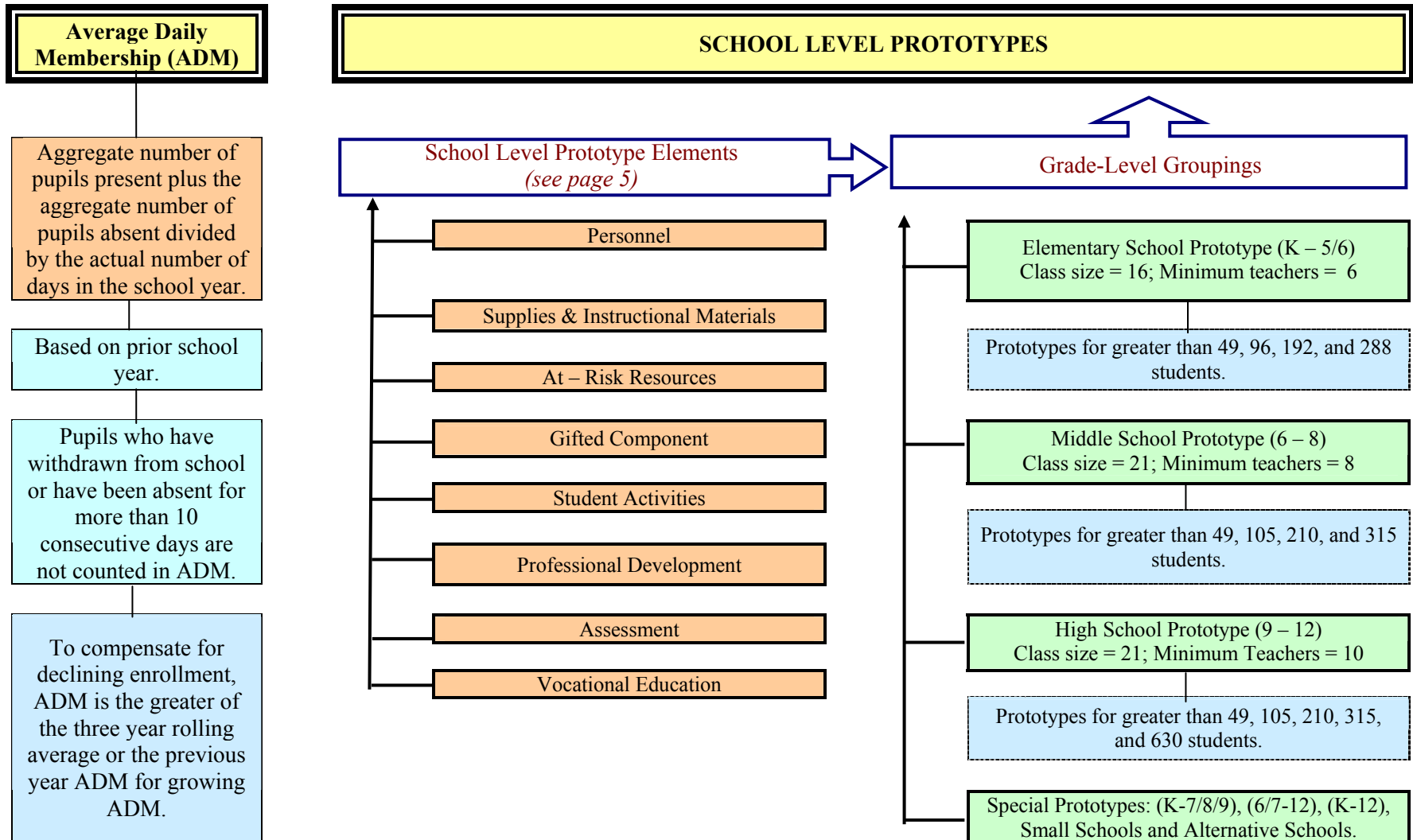
I. BASE RESOURCES

The base resource funding represents the funding generated at the school level by the elementary school, middle school, high school, small school and alternative prototypes. The district level resources are then added to the school based resources. This section illustrates the school and district resources based on the prototypes in the model.

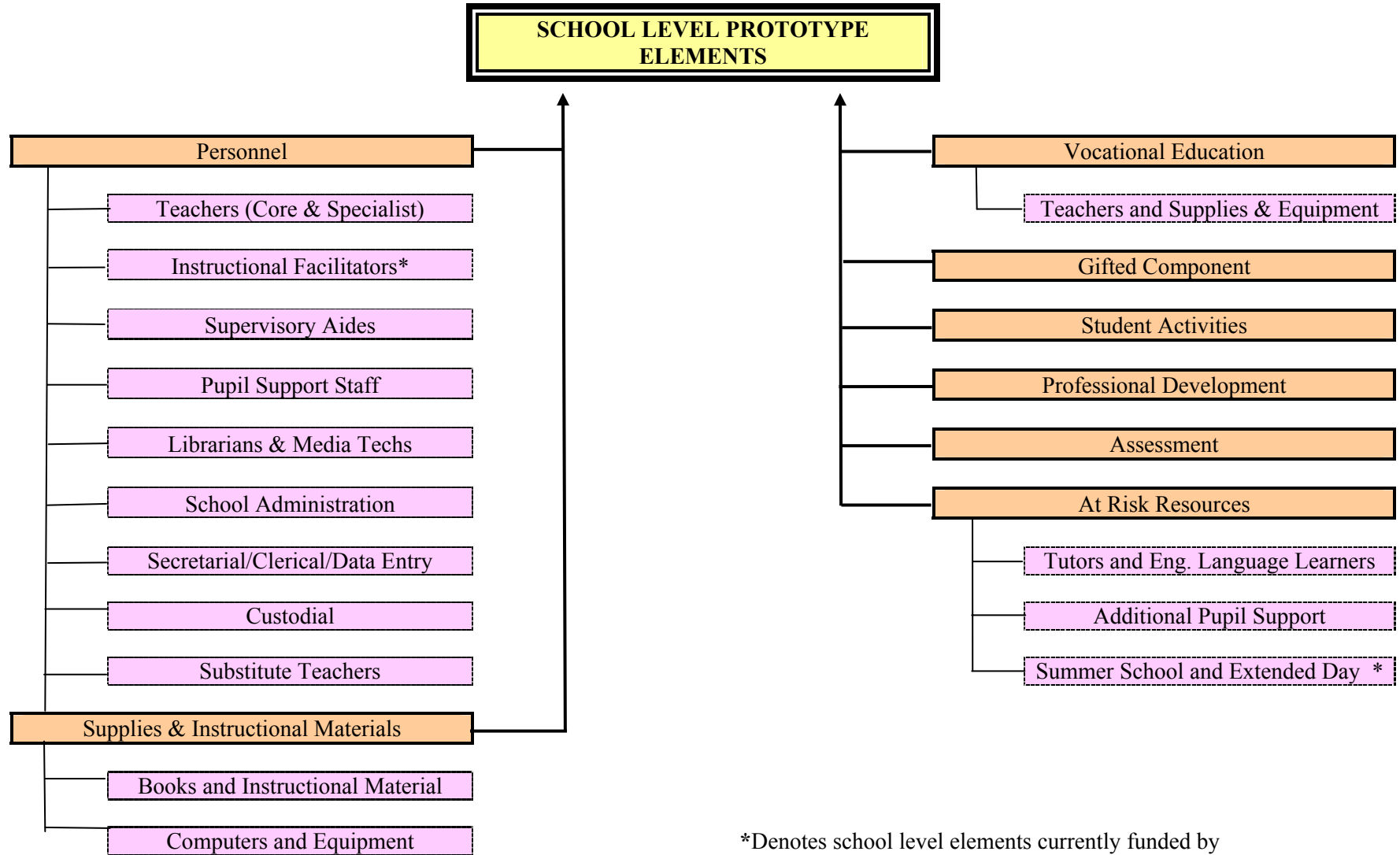
I. Base Resources



SCHOOL LEVEL RESOURCES



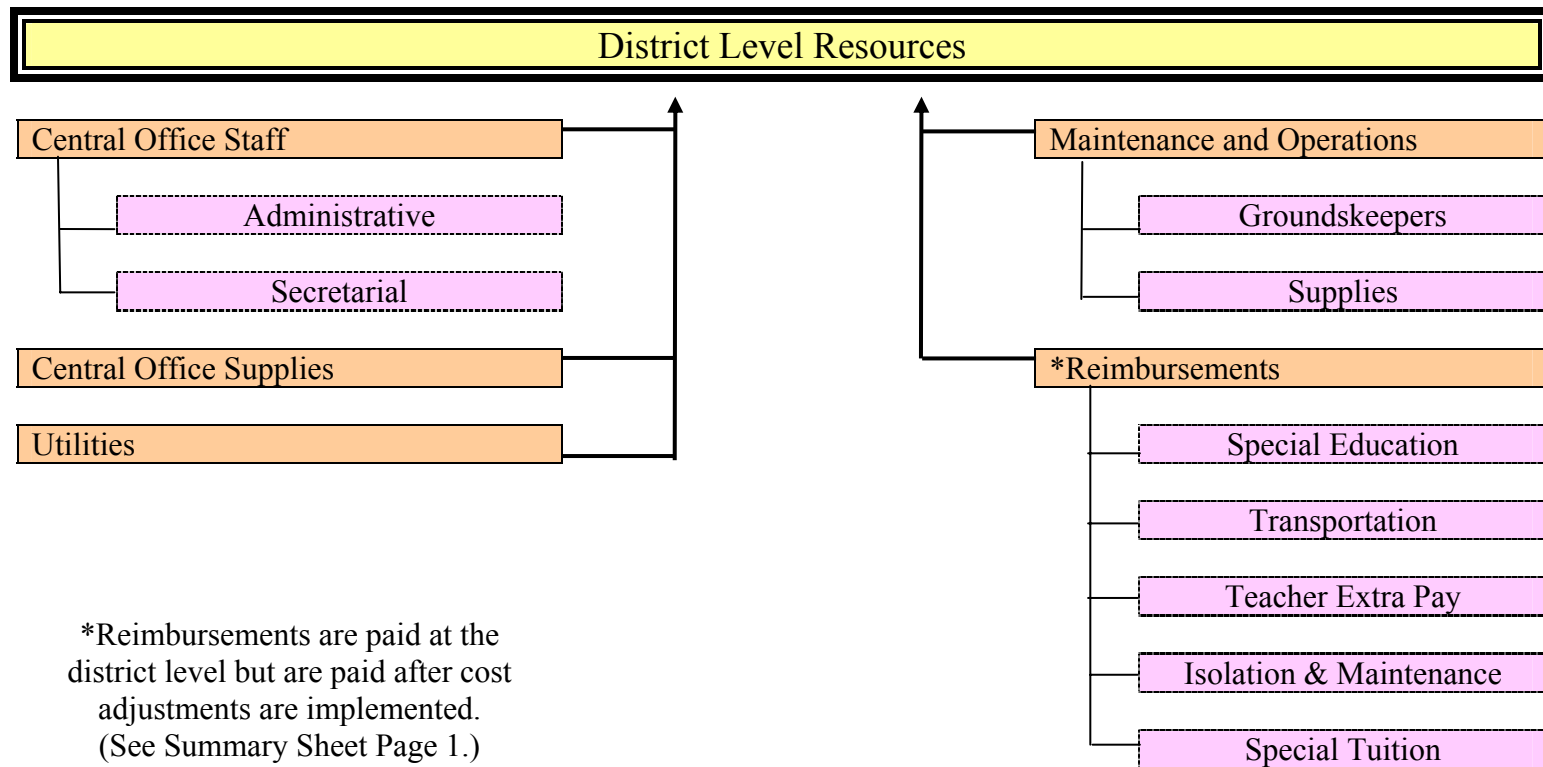
School Level Elements



*Denotes school level elements currently funded by appropriations outside the funding model.

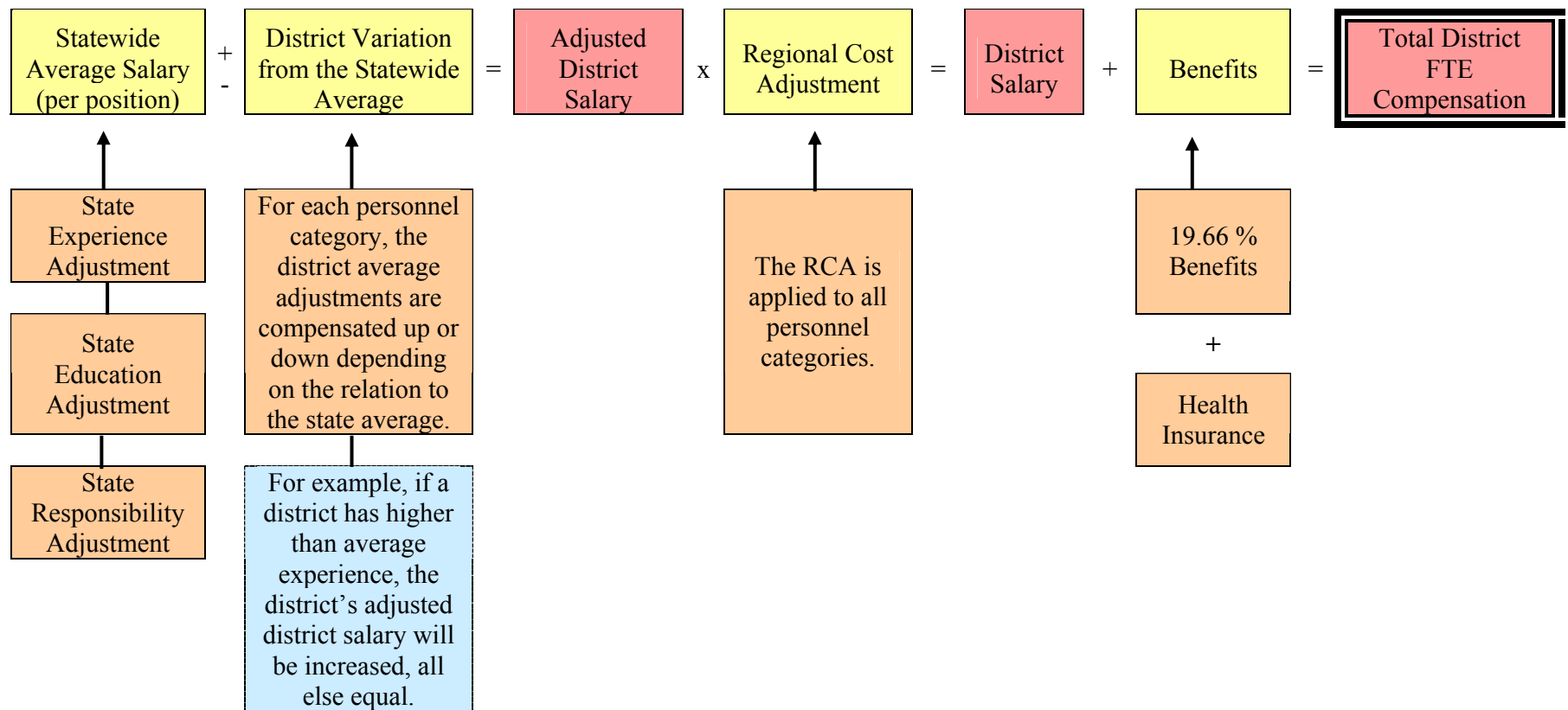
DISTRICT LEVEL RESOURCES

This section illustrates the district level funding resources. These district level resources are added to the school based resources to arrive at the base resources.



SALARY

This section illustrates the district level salary computations per average FTE. These computations are specific to each personnel category in the model. NOTE: Not all adjustments (experience, education, responsibility) are made for each personnel category.



VOCATIONAL EDUCATION

I. Vocational Education Additional Staff

$$\begin{array}{|c|} \hline \text{FTE Vocational} \\ \text{Education Students} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Additional Vocational Education} \\ \text{Weighting (.29)} \\ \hline \end{array} \div \begin{array}{|c|} \hline \text{Secondary Class} \\ \text{Size} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Additional FTE Vocational} \\ \text{Education Teachers} \\ \hline \hline \end{array}$$

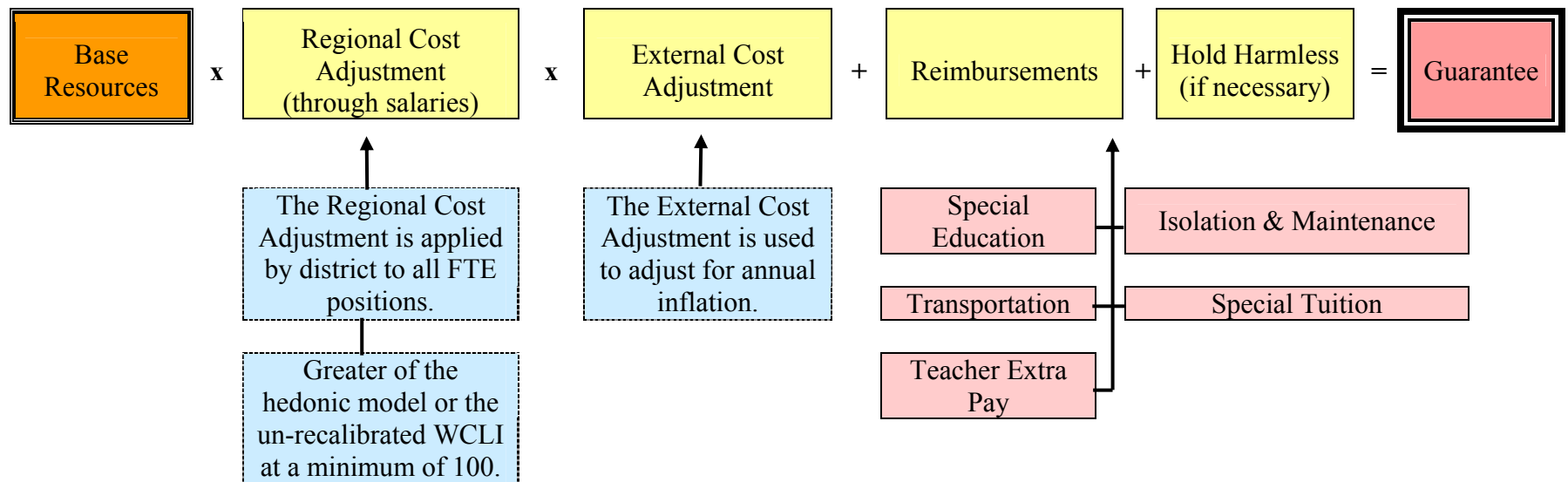
II. Vocational Education Equipment, Supplies, and Replacement Resources

$$\begin{array}{|c|} \hline \text{Actual Vocational Education} \\ \text{FTE Teachers} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Equipment, Supplies, and} \\ \text{Replacement Resources} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Total Additional Vocational Education Equipment,} \\ \text{Supplies, and Replacement Resources} \\ \hline \hline \end{array}$$

*In addition, there is a career vocational education grant program to provide for additional vocational education programs. The program is administered by the Wyoming Department of Education.

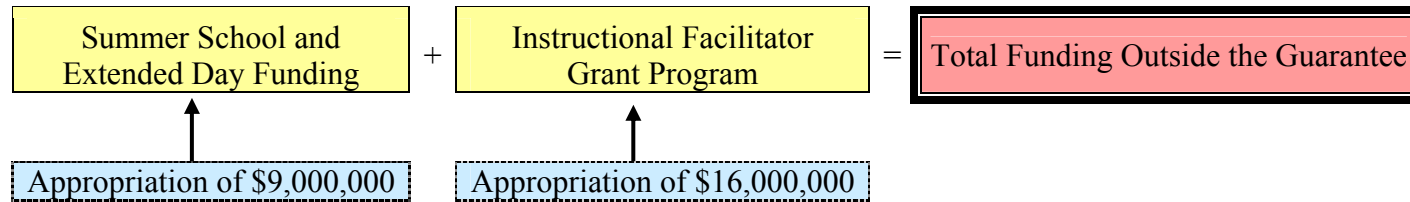
II. GUARANTEE

The guarantee is the foundation program amount for each district and is determined by multiplying personnel resources by the Regional Cost Adjustment and the base resources by the External Cost Adjustment then adding in the reimbursements and any hold harmless.



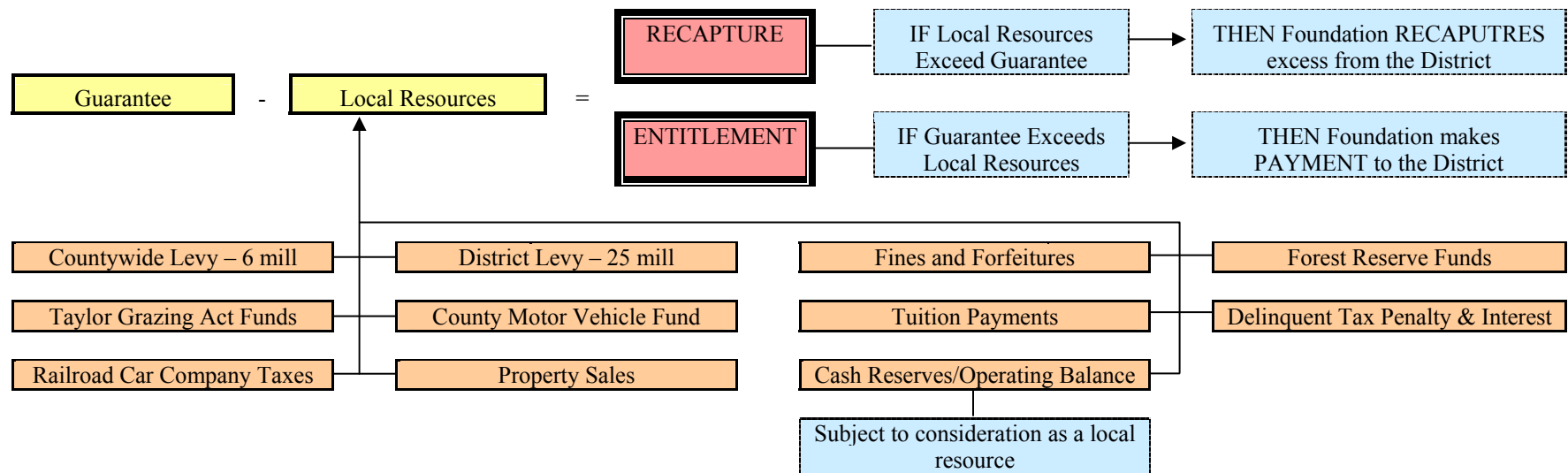
III. FUNDING OUTSIDE THE GUARANTEE

Funding Outside the Guarantee reflects programs for which the Legislature appropriated resources outside the school finance funding model.

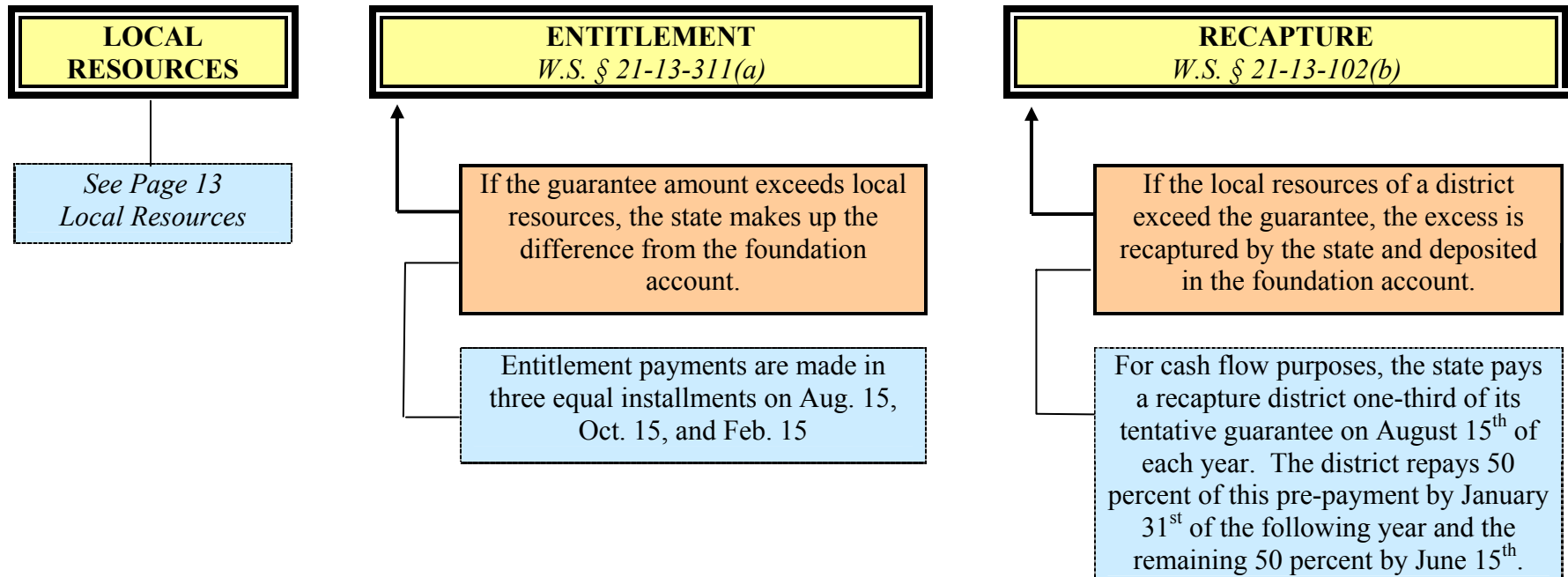


IV. DISTRICT FUNDING

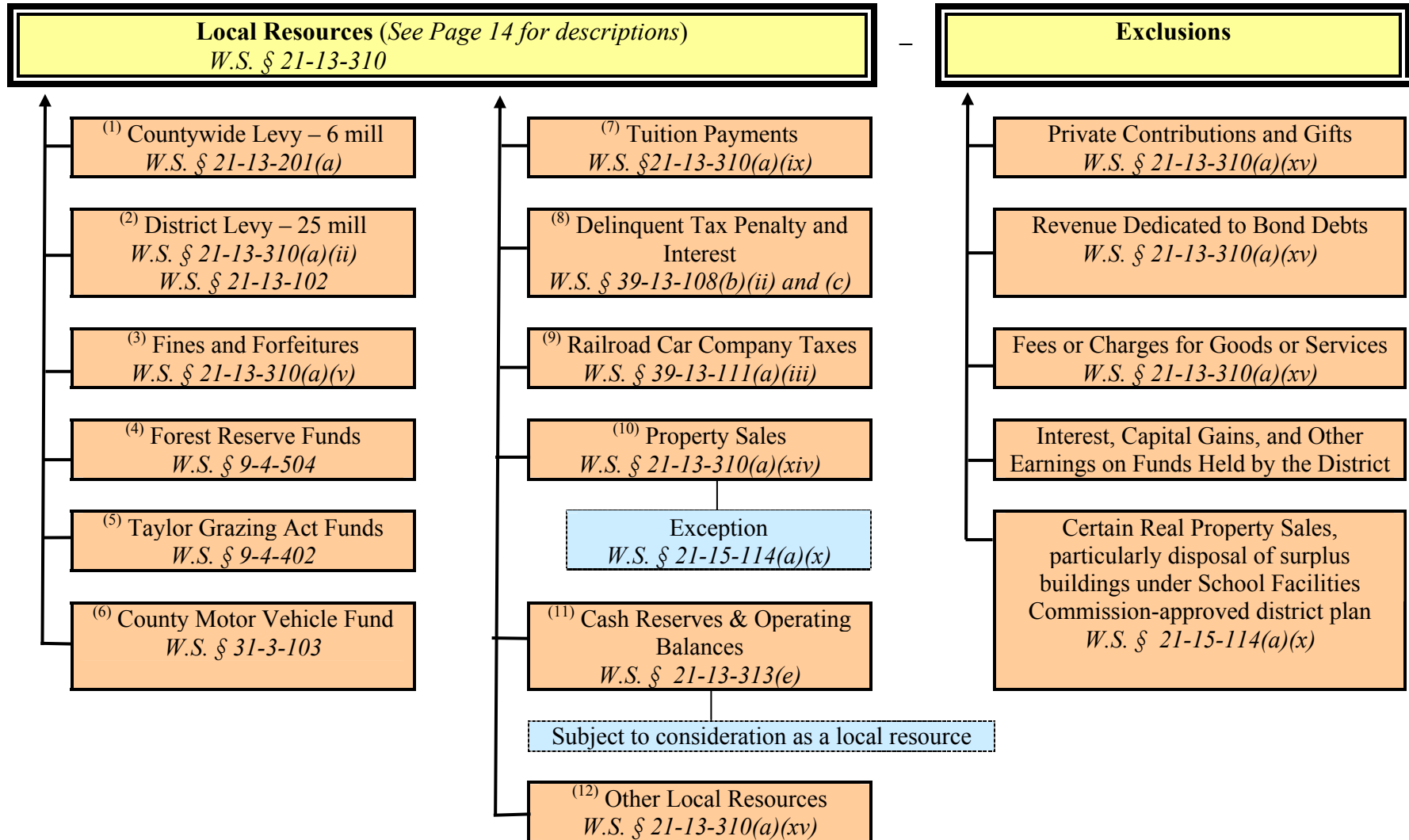
The district funding is the guarantee less local resources and results in either an entitlement payment or state recapture. This section illustrates the process resulting in entitlement or recapture. Local resources and exclusions are outlined.



COMPONENTS



LOCAL RESOURCES

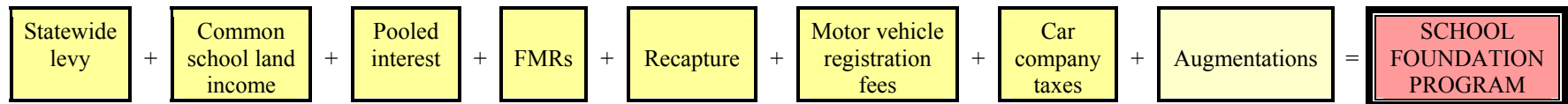


LOCAL RESOURCE EXPLANATIONS

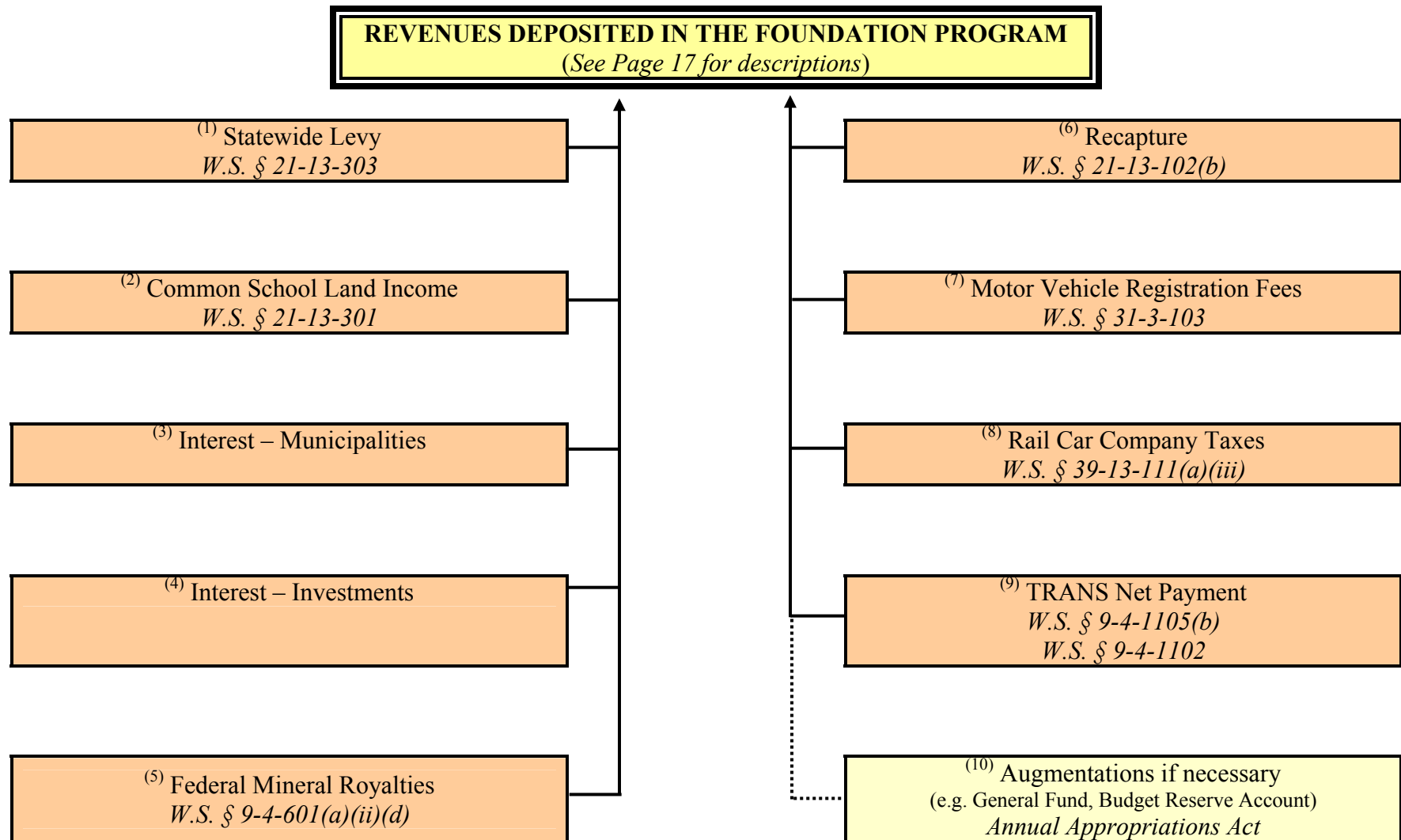
- (1) **Countywide Levy:** Revenue generated from countywide 6 mill property tax.
- (2) **District Levy:** Revenue generated from 25 mill property tax within the school district.
- (3) **Fines and Forfeitures:** The district's share of fines and forfeitures distributed to it during the previous school year.
- (4) **Forest Reserve Funds:** The district's share of forest reserve funds distributed to it during the previous year under federal law.
- (5) **Taylor Grazing Act Funds:** The district's share of Taylor Grazing Act funds distributed to it during the previous year under federal law.
- (6) **County Motor Vehicle Fund:** Revenue generated from motor vehicle licensing and registration, distributed in the same manner as property taxes.
- (7) **Tuition Payments:** Revenue generated from tuition received during the previous school year.
- (8) **Delinquent Tax Penalty and Interest:** The district's share of interest and penalties on delinquent taxes distributed to it during the previous school year.
- (9) **Railroad Car Company Taxes:** The district's share of railroad car company taxes distributed to it during the previous school year.
- (10) **Property Sales:** Any amount received by the district in the preceding year from the sale of real or personal property.
- (11) **Cash Reserves & Operating Balances:** District's operating balance & cash reserve exceeding 15% of guarantee from the preceding year are considered a local resource.
- (12) **Other Local Resources:** Other revenues, not excluded, received or collected by the district during the previous school year.

V. REVENUES DEPOSITED IN THE SCHOOL FOUNDATION PROGRAM

There are a number of revenue sources that fund the school foundation program. They are illustrated here. This illustration allows for the possibility for the regular funding to be augmented as necessary.



COMPONENTS



REVENUE EXPLANATIONS

- (1) Statewide Levy:** Revenue generated from 12 mill statewide property tax.
- (2) Common School Land Income:** Revenue generated from the common school account within the permanent land income fund.
- (3) Interest – Municipalities:** Interest derived from property tax holdings by the county prior to remitting it to the state.
- (4) Interest – Investments:** Interest derived from the pooled earnings of the school foundation program account.
- (5) Federal Mineral Royalties:** Revenue generated from federal payments, distributed under federal law, to the state for mining activity within the state.
- (6) Recapture:** Monies recaptured from school districts with local resources exceeding their guarantee.
- (7) Motor Vehicle Registration Fees:** Revenue generated from motor vehicle licensing and registration, distributed in the same manner as property taxes.
- (8) Car Company Taxes:** Revenue generated from railroad car company taxes, distributed in the same manner as property taxes.
- (9) TRANS (Tax Revenue Anticipation Notes) Net Payment:** Interest earned on TRANS proceeds, minus issuance costs and interest payable from issued notes. (This number can be negative in some years depending on the financial environment.)
- (10) Augmentations:** Any additional revenue directed by the Legislature to the School Foundation Program.